

Michigan Department of Licensing & Regulatory Affairs

MICHIGAN LIQUOR CONTROL COMMISSION (MLCC)

525 W. Allegan St. P.O. Box 30005 Lansing, Michigan 48909-7505

Michigan Warehouse License Requirements and General Information

A "Warehouser" license:

- License issued by the Michigan Liquor Control Commission to a person or company located in Michigan to temporarily store alcoholic beverages.
- Prohibited from making sales or deliveries to retailers unless the warehouseman is also the holder of a Wholesale license issued by the Commission.
- Does not require a Federal Permit issued by the Alcohol, Tobacco, Tax & Trade Bureau (TTB).
- Retail licensees are prohibited from also holding a Warehouser license.
- \$50.00 initial license fee. License renews annually on May 1st of each year.
 - MCL 436.1113(6), MCL 436.1525 (q)

How To Apply For A License:

If a licensed wholesaler, submit the Wholesaler License & Permit Application (LCC-175) with applicable fees and documents listed in the form.

If a licensed manufacturer, submit the <u>Manufacturer License & Permit Application (LCC-150)</u> with applicable fees and documents listed in the form.

General Information:

Interest in Another License:

A warehouser is prohibited from holding any direct or indirect interest in any alcoholic beverage retail license. Types of prohibited interest include stock ownership in a retail license; leasing real estate to/from a retail license; interlocking officers or directors; and financial interest in any manner, such as a moneylender, in a retail license.

MCL 436.1603

Sale and Delivery to Retail Licensees Prohibited:

A Warehouser is prohibited from making sales or deliveries to retail licensees unless they also hold a Wholesale license or a manufacturer's license which authorizes sales to retailers.

MCL 436.1113(6)

Aid and Assistance:

MCL 436.1609 and administrative rule R 436.1035 prohibit alcoholic beverage manufacturers, suppliers, wholesalers or warehousers from aiding or assisting any other licensee by giving them anything of value. Further, a licensee is prohibited from accepting aid and assistance from another industry member. Alcoholic beverage suppliers are prohibited from giving anything of value to their wholesalers or retailers. Likewise, alcoholic beverage wholesalers are prohibited from giving anything of value to their retailers. This principle is the cornerstone of Michigan's trade practices regulatory structure. It is designed to provide a level playing field for all industry members. Suppliers, wholesalers and warehousers are prohibited from giving anything of value to retail licensees, including but not limited to: alcoholic beverages, merchandise, furniture, fixtures, equipment, uniforms, cash or loans, labor, etc.

This same principle prohibits suppliers and wholesalers from providing free advertising, incentive programs, free or discounted product, draft system installation and maintenance, etc. Violations in the aid and assistance statute will result in all participants (retailer, wholesaler and supplier) being cited before the Commission.

Section 609 (3) of the Code, includes exceptions to the prohibition of items and services that a licensed supplier, wholesaler or warehouser, may provide to any other vendor. Some of these exceptions include allowing suppliers, wholesalers, and warehousers to provide advertising items that have no use or value beyond actual brand and price advertising, including, but not limited to: mirrors, napkin holders, and table tents to licensees. Further, Section 609 (5) allows retailers to possess and use <u>beer and wine</u> brand logoed barware, including, but not limited to: glassware, coasters, and napkins if they have been purchased from a third party barware retailer and also allows retailers to possess and use <u>spirit</u> brand logoed barware, such as: glassware, coasters, and napkins if purchased from a manufacturer of spirits, vendor of spirits, a licensed salesperson, broker, or a third party barware retailer.

MCL 436.1609, Administrative rule R 436.1035

Record Retention:

All licensees are required to maintain all sales, purchase and warehouse records for a minimum of four (4) years. Records may be maintained electronically or otherwise as long as a hard copy of the record can be created upon demand.

Administrative rules R 436.1007, R 436.1641, R 436.1727, R 436.1865

Inspection of Premises and Books & Records:

A licensee must make the licensed premises available for inspection and search by a Commission Investigator or any law enforcement officer empowered to enforce the Commission's rules and code during regular business hours or when the premises is occupied. The Commission or its duly authorized agent may examine the books, records or papers of a licensee.

MCL 436.1217

How to Contact the Michigan Liquor Control Commission:

Questions relating to Warehouser licenses and other non-retail licenses may be directed to:

Michigan Liquor Control Commission P.O. Box 30005 Lansing, MI 48909

Toll free 1-866-813-0011 (517) 763-0060 (517) 322-5046 (fax)

E-mail: <u>MLCCMWapplications@michigan.gov</u>

Website: www.michigan.gov/lcc